



Sean Rogan
Executive Director

COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles

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Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

August 30, 2011

The Honorable Board of Commissioners
Community Development Commission of
the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

ADOPTED

Community Development Commission

#1-D AUGUST 30, 2011

SACHI A. HAMAI
EXECUTIVE OFFICER

**APPROVE EXCHANGE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS BETWEEN
THE CITIES OF LAWDALE, LA HABRA HEIGHTS AND EL SEGUNDO
(DISTRICTS 2, 4) (3 VOTE)**

SUBJECT

The City of Lawndale has agreed to accept \$11,878 in Community Development Block Grant (CDBG) funds from the City of El Segundo in exchange for \$8,315 in general tax revenues. The City of Lawndale has also agreed to accept \$21,537 in CDBG funds from the City of La Habra Heights in exchange for \$14,430 in general tax revenues. This letter recommends approval of the exchanges.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that approval of the exchange of CDBG funds between the City of Lawndale and the Cities of El Segundo and La Habra Heights are not subject to the provisions of the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.
2. Approve the exchange of previously approved prior year CDBG funds in the amount of \$11,878 from the City of El Segundo to the City of Lawndale, in exchange for \$8,315 in general tax revenues from the City of Lawndale, pursuant to an agreement between the two cities.
3. Approve Amendment No. 5 to CDBG Reimbursable Contract No. 70731 between the County of Los Angeles (County) and the City of La Habra Heights, to remove \$21,537 in CDBG funds in exchange for \$14,430 in general tax revenues from the City of Lawndale, pursuant to an agreement between the two cities, thereby reducing the amount of CDBG funds allocated to the City of La Habra Heights from \$21,537 to zero.

4. Approve Amendment No. 4 to CDBG Reimbursable Contract No. 70735 between the County and the City of Lawndale, to add \$33,415 in CDBG funds from the Cities of El Segundo and La Habra Heights, thereby increasing the amount of CDBG funds allocated to the City of Lawndale from \$2,511,765 to \$2,545,180.

5. Authorize the Executive Director or his designee to execute the Amendments on behalf of the County, to be effective through June 30, 2012 following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Cities of El Segundo and La Habra Heights have executed agreements with the City of Lawndale to grant CDBG funds in exchange for general tax revenues. The proposed Amendments for La Habra Heights and Lawndale will implement the transfer of the CDBG funds.

The City of Lawndale will use the additional CDBG funds to implement CDBG-eligible projects for low- and moderate-income persons, while the Cities of El Segundo and La Habra Heights will use the general tax revenues for local government activities.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The City of El Segundo will transfer prior year CDBG funds in the amount of \$11,878 to the City of Lawndale in exchange for general tax revenues. The City of El Segundo previously allocated its entire FY 2011-12 funding. It is exchanging funds recovered from previously approved projects and program income, and therefore an amendment is not required.

The City of La Habra Heights will transfer FY 2011-12 CDBG funds in the amount of \$21,537 to the City of Lawndale. The agreement will decrease the amount of CDBG funds allocated to the City of La Habra Heights from \$21,537 to zero.

The agreements with El Segundo and La Habra Heights will increase the amount of CDBG funds allocated to the City of Lawndale from \$2,511,765 to \$2,545,180.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The CDBG Reimbursable Contract Amendments between the County and the Cities of Lawndale and La Habra Heights, attached hereto in substantially final form, will be used for the proposed exchange of funds. The Amendments will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. These activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines

The Honorable Board of Supervisors

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15060(c)(3) and 15378 because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The CDBG Reimbursable Contract Amendments will enable the City of Lawndale to increase the amount of CDBG funds available to administer and implement CDBG-eligible projects to benefit low- and moderate-income persons. The Cities of El Segundo and La Habra Heights will utilize the general revenues for local government operations.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line extending to the right.

SEAN ROGAN

Executive Director

SR:rw

Enclosures

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER 4**

CITY: LAWNDALE

CONTRACT NUMBER: 70735

THIS AMENDMENT NUMBER 4 TO CONTRACT 70735 is made this day _____ of _____, 2011 by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission) and the City of Lawndale, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant (CDBG) Program Reimbursable Contract, Contract Number 70735, dated July 1, 2009, and amended on June 7, 2010; June 13, 2011; and _____;

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect an exchange of \$33,415 of Fiscal Year (FY) 2011-2012 and prior year CDBG funds from the following local governments: El Segundo (\$11,878) and La Habra Heights (\$21,537); for a total of \$22,744.39 in general funds based on agreements between the Operating Agency and the above local governments; so that the Operating Agency may better implement its CDBG-eligible projects and the above local governments gain additional funds for their general operations;

WHEREAS, the Community Development Commission of the County of Los Angeles administers this Contract on behalf of the County;

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the parties agree as follows:

1. Section 5, **COMPENSATION AND METHOD OF PAYMENT**, is amended to show a revised compensation amount of Two Million Five Hundred Forty-Five Thousand One Hundred Eighty Dollars (**\$2,545,180**). This is an increase of Thirty-Three Thousand Four Hundred Fifteen Dollars (**\$33,415**) in the compensation amount. The additional amount includes \$6,370 in additional administration authority and \$12,740 in additional public services authority.
2. This contract amends the original contract to reflect the additions and/or change(s) noted above, and this section(s) should be substituted in its entirety or added to the previously executed contract. All other terms and conditions of said contract shall remain the same.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers on the day, month, and year first above written.

COUNTY OF LOS ANGELES

CITY OF LAWNSDALE

BY: _____
SEAN ROGAN
Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
TITLE: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

ANDREA SHERIDAN ORDIN
County Counsel

SEAN ROGAN
Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, CDBG

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER 5**

CITY: LA HABRA HEIGHTS

CONTRACT NUMBER: 70731

THIS AMENDMENT NUMBER 5 TO CONTRACT 70731 is made this «Date» day of, «Month», 2011 by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission) and the City of La Habra Heights, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community Development Block Grant Program Reimbursable Contract, Contract Number 70731, dated July 1, 2009 and amended June 17, 2010; June 21, 2010; November 9, 2010; and June 27, 2011;

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect an exchange of \$21,537 of Fiscal Year (FY) 2011-2012 CDBG funds, for \$14,429.79 in general funds from the City of Lawndale, so that the Operating Agency may gain additional funds for their general city operations and the City of Lawndale may better implement its CDBG-eligible projects.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the parties agree as follows:

1. Section 5, **COMPENSATION AND METHOD OF PAYMENT**, is amended to show a revised compensation amount of Zero Dollars (**\$0**). This is a decrease of Twenty-One Thousand Five Hundred Thirty-Seven Dollars (**\$21,537**) in the compensation amount.
2. This contract amends the original contract to reflect the additions and/or change(s) noted above, and this section(s) should be substituted in its entirety or added to the previously executed contract. All other terms and conditions of said contract shall remain the same.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers on the day, month, and year first above written.

COUNTY OF LOS ANGELES

CITY OF LA HABRA HEIGHTS

BY: _____
SEAN ROGAN
Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
TITLE: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

ANDREA SHERIDAN ORDIN
County Counsel

SEAN ROGAN
Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, CDBG